

# **Fiscal Services Division**

## **Legislative Services Agency**

### **Fiscal Note**

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HF 640 - Boat Registration (LSB 1475 HV.1)

Analyst: Debra Kozel (Phone: (515) 281-6767) (deb.kozel@legis.state.ia.us)

Fiscal Note Version - Revised

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#### **Description**

House File 640 makes the following changes impacting boat registration fees:

- Increases the biennial registration fee for boats with no motor from \$5.00 to a triennial fee of \$12.00.
- Creates a triennial \$22.50 registration fee for boats with a motor that are less than 16 feet in length.
- Creates a triennial \$30.00 registration fee for boats with a motor that are 16 feet but less than 26 feet in length.
- Creates a triennial \$60.00 registration fee for boats with a motor that are 26 feet or more but less than 40 feet in length.
- Creates a triennial \$112.50 registration fee for boats with a motor that are 40 feet in length or longer.
- Creates a triennial \$45.00 registration fee for personal watercraft.
- Specifies boats not registered by May 1, are subject to payment of a \$5.00 penalty.
- Defines the qualifications of a peace officer and allows a peace officer or representative of the Natural Resource Commission to inspect at a commercial vessel for hire at any time.
- Outlines the reasons for suspending a commercial boat registration certificate.
- Specifies any peace officer trained in boating and navigation laws can inspect commercial or private boats.
- Requires boat operators that are between 12 and 17 years of age to complete the Watercraft Safety Course offered by the Department of Natural Resources (DNR).
- Specifies any operator of a vessel that has 10 or more horsepower, and is under the age of 12, must be accompanied by a responsible person 18 years or older.
- Specifies revenue received from the fee increase will be used for administration and enforcement of programs that control aquatic invasive species and enforcement of navigation laws and water safety.
- Increases the county writing fee from \$1.00 to \$1.25 per transaction, or a person registering three boats would pay \$1.25.
- The fee increase is effective January 1, 2007.

#### **Background**

There is a separate account in the DNR for Boat Registration Fees. Each year, \$1.4 million is transferred from the Boat Registration Fees account to the Fish and Wildlife Trust Fund that is used for navigation law enforcement and boater safety. The last fee increase was in 1984.

#### **Assumptions**

1. There are approximately 230,000 boats registered in Iowa.
2. Triennial gross receipts from boat registration fee increases are estimated to increase \$734,000 for FY 2007 and every third year thereafter.

#### **Correctional Impact**

The correctional impact is expected to be minimal.

**Fiscal Impact**

The estimated fiscal impact of HF 640 is an increase in revenue of \$734,000 for FY 2007 and every third year thereafter the Boat Registration Fees account. Of that amount, \$367,000 will be used for boating enforcement and \$367,000 will be used for the prevention of aquatic invasive species. The estimated fiscal impact from the county writing fee increase, but changing it from a biennial fee to a triennial fee, is an annual decrease of \$13,000 per year.

**Source**

Department of Natural Resources

/s/ Holly M. Lyons

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March 17, 2005

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The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Fiscal Services Division, Legislative Services Agency to members of the Legislature upon request.

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